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Small and Medium-Sized Enterprise Policy Advocacy Program

Solicitation No.: 118-A-02-011
Issuance Date: July 16, 2002
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Closing Time: 4 PM, Moscow, Russia time
Submission Location: USAID/Russia, Moscow
(mailing address as stated in the body of this letter)

Subject: Request for Applications (RFA) Number 118-A-02-011
Small and Medium-Sized Enterprise Policy Advocacy Program
USAID/Russia

The United States Agency for International Development (USAID) is soliciting applications from U.S. non-commercial, non-governmental organizations to further the development of business advocacy skills among Russian regional business associations that serve small and medium-sized businesses and the entrepreneurs, both female and male, who create and lead such businesses.

USAID expects to award a cooperative agreement to finance a program of the applicant's own creation that will build the capacity of business associations in eight regions (selected by the applicant from a possible list of thirteen) in the Russian Federation. Applicants shall enter into a subagreement with a Russian partner, which has the skills and capacity to contribute significantly to program goals. The specific experience and qualifications of the Russian partner and a careful description of the partner's role and responsibilities will be an essential part of the successful application.

The winning application will be the one which, in the opinion of USAID, is the most likely to contribute in a meaningful way to enhancing the ability of Russian regional business associations to independently identify and articulate those interests that are common to small and medium enterprises as a group, independently develop practical proposals for administrative and policy change that will further those interests, and communicate both these common interests and proposals for improvements to decision makers, media and the general public in a persuasive manner.

The program to be funded by the cooperative agreement shall support the USAID Russia Mission's Strategic Objective 1.3: "Strengthened and Expanded Small and Medium Enterprises" and contribute to the achievement of the Intermediate Result "1.3.1. Strengthened Small and Medium Enterprise Policies."

USAID intends that the program will be for duration of 3 years. However, funding is only guaranteed for the first 18 months. One year after signature of the award, the awardee must prepare and submit a Continuation Application, which shall detail the awardee's progress and accomplishments to date and present a more focused, detailed and updated plan for the use of funding during the remainder of the three-year period. Funding for the balance of the three-year period will be subject to USAID's approval of the Continuation Application and the availability of funds. USAID's approval of the Continuation Application will depend upon a persuasive showing by the applicant that the initial funding has been used responsibly and effectively and that further funding is likely to be of significant benefit to the regional business associations and entrepreneurs who are the intended ultimate beneficiaries of the program

Applications will be evaluated against the selection criteria stated in Section C of this RFA. Applications shall be submitted in a format that is consistent with the criteria. USAID does not award fees or profit under cooperative agreements. For-profit organizations are eligible to submit applications in response to this RFA but, like other applicants, such organizations will not be entitled to receive any fee or profit for their participation in this activity. However, all reasonable, allowable and allocable direct and indirect costs, consistent with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organizations other than universities; OMB Circular A-21 for universities; or the Federal Acquisition Regulation, FAR, Part 31, for for-profit organizations) will be paid under this award. Cost-sharing by the applicant is required by this RFA and will be part of the evaluation process under the “Cost Effectiveness and Cost Realism of Application” criteria. Pursuant to the USAID Acquisition & Assistance Policy Directive (AAPD) 02-10, the Agency cost-sharing target for this award shall be between \$100,000-\$150,000. The total estimated USAID funding, assuming the program extends three years, will be approximately \$2.2 million. Applicant cost applications will be evaluated from the standpoint of both cost realism and programmatic value for the dollar. However, technical considerations will be the predominant basis upon which the awardee will be selected.

This RFA consists of this cover letter and the following sections:

- Section A: Program Purpose and Description
- Section B: Instructions to Interested Parties in Preparing Applications
- Section C: Application Review and Selection Criteria
- Section D: Certifications, Assurances and Other Information
- Section E: Standard Form 424, 424(a), 424(b) and Instructions
- Section F: Newly Issued Standard Provisions for Cost Sharing in Grants & Cooperative Agreements to Non-Governmental Organizations
- Section G: Sample Agreement Format – reserved

Guidelines for submission of applications are provided in Sections A through C. Section D and E contain all Certifications, Assurances and Other Information as well as the application forms for Federal Assistance, which potential recipients are required to complete. Section F of the RFA containing a sample agreement format, including both the mandatory and optional standard provisions was reserved. It can be provided on request. Please note that the final language of the agreement and which optional standard provisions shall be included will be determined based on the specific application selected for award.

Applicants are cautioned that failure to observe the stated guidelines, including but not limited to submission deadline, page limits, and inclusion of prescribed programmatic elements, may result in the application being rejected.

The deadline (closing date, closing time and submission location) for application for this competition is set forth on the first page of this cover letter. Applicants are requested to submit one (1) original and five (5) hard copies of their technical application and one (1) original and two (2) copies of cost application, in the English language, as well as diskettes of the technical and cost application to the following address:

Gary Juste
Agreement Officer
American Embassy
USAID/Russia
19/23 Novinsky Bulvar
Moscow 121099, Russia

Applicants must take into account the delivery time required by the method they choose for transmitting their application and are solely responsible for ensuring that their applications are received on time by USAID/Russia. Applicants are cautioned not to transmit their applications to USAID/Washington as this is likely to result in substantial delays that may result in the application's being received by USAID/Russia after the deadline has passed. Please note that the transmission of applications, or any essential part thereof, by e-mail or fax is not permitted. Any applications submitted in that manner may be disqualified.

If you have questions regarding this RFA, please address them in writing to Mr. Gary Juste, Agreement Officer, USAID/Russia, FAX (7095) 960-2141 or e-mail, gjuste@usaid.gov.

Issuance of this RFA does not constitute a commitment on the part of the U.S. Government (USG) to make an award, nor does it commit the USG to pay for costs incurred in the preparation and submission of an application. Further, the USG reserves the right to reject any or all applications received. Applications are prepared and submitted at the prospective recipient's own risk. All preparation and submission costs are at the applicant's own expense.

Questions pertaining to this RFA need to be submitted to this office by 6 PM Moscow time by July 26, 2002. All questions need to be submitted in writing, either by Facsimile (FAX), (7-095)960-2141 or E-mail to the Agreement Officer, Mr. Gary Juste at gjuste@usaid.gov and/or Mr. Alexander Borzov, aborzov@usaid.gov.

In the event of any inconsistency between the parts constituting this RFA, the inconsistency shall be resolved by the following order of precedence: (1) Application Instructions (Section B); (2) Program Description (Section A); and (3) this Cover Letter.

Thank you for your interest in USAID's development activities in Russia.

Sincerely,

Casey-Lynn Finnerty
Agreement Officer
E-mail address: gjuste@usaid.gov

SECTION A

PROGRAM PURPOSE AND DESCRIPTION

Overview

Based on extensive consultations and analysis, USAID/Russia has concluded that lack of policy advocacy skills on the part of small and medium enterprises, and the associations that represent them, has constrained the ability of such organizations to take part in civil society and to advocate successfully for the reforms needed in order for the sector to grow and flourish. The purpose of this activity is to strengthen the capacity of regional business associations to advocate successfully for improvements in the administrative and policy environment affecting small and medium-sized enterprises in the Russian Federation. It is intended that the successful applicant shall target viable regional business associations in eight specifically identified regions.

For the purposes of this RFA, the term “business association” is defined broadly to include any nongovernmental organization whose membership is comprised wholly or primarily of small and medium-sized enterprises or individual businessmen and women who own, operate or serve in a management capacity at small and medium-sized enterprises. Government organizations, organizations that are substantially controlled by the Government, and organizations whose membership is substantially composed of Government officials and Government employees shall not be considered “business associations” for purposes of this RFA. Similarly, organizations whose membership consists to a significant degree of large enterprises or business persons associated with large enterprises and organizations which are in substantial measure dominated or controlled by such large enterprises and their leaders are not among the organizations intended to be served by this activity.

The use of the term “business association” does not mean that a beneficiary organization needs to be registered or chartered explicitly as a business association. Whether or not a prospective beneficiary may be considered a “business association” should be determined, for the purposes of this RFA, from the standpoint of the functions that the organization performs, or seeks to perform, for its members, rather than its technical legal status.

“Viable” business associations are those that are already functioning independently with some degree of success and those that the applicant reasonably believes could function successfully after the infusion of technical assistance, training or other appropriate support. Organizations that are so weak as to have little likelihood of independent or successful functioning after the supply of support should not be viewed as “viable.”

“Small and medium enterprises”, or “SMEs” are defined as businesses with not less than 10 and not more than 500 full-time employees.

Selection of Regions in Which to Work:

As part of its application, the Applicant shall identify the eight regions of the Russian Federation in which it proposes to work. The proposed regions shall be selected from the following list of thirteen:

1. Irkutskaya Oblast (Irkutsk)
2. Khabarovskii Krai (Khabarovsk)
3. Krasnoyarskaya Oblast (Krasnoyarsk)
4. Novosibirskaya Oblast (Novosibirsk)
5. Permskaya Oblast (Perm)
6. Rostovskaya Oblast (Rostov on Don)
7. Samarskaya Oblast (Samara)
8. Sakhalinskaya Oblast (Yuzhno-Sakahlinsk)
9. Saratovskaya Oblast (Saratov)
10. Primorskii Krai (Vladivostok)
11. Volgogradskaya Oblast (Volgograd)
12. Chuvash Republic (Cheboksary)
13. Krasnodarskii Krai (Krasnodar)

The list of thirteen possibilities reflects the geographic focus of USAID's strategy (which calls for concentration on certain southern regions, the Volga Federal District, Siberia, the Russian Far East and Sakhalin Island) as well as USAID's own perceptions regarding regions where SME work may be particularly useful.

The Applicant shall choose the places in which it wishes to work based on its own experience, knowledge, existing contacts and comparative advantage (and that of its Russian partner) as well as upon its own assessment of the likelihood of achieving valuable results in that locality. It is preferred that the eight locations proposed shall include at least one location from each of the four major USAID geographic focus areas mentioned above. (Please note: Sakhalin Island is considered part of the Russian Far East focus area together with Primorskii and Khabarovskii kraia. Krasnodarskii Krai and Rostovskaya and Volgogradskaya oblasts are considered part of the southern regions focus area, and Permskaya, Samarskaya and Saratovskaya oblasts together with the Chuvash Republic are in the Volga Federal District. The remaining three regions on the list, Novosibirskaya, Irkutskaya and Krasnoyarskaya oblast are in the Siberia focus area.)

The Applicant shall explain and justify its selections in its application. The logic of this explanation, the detailed knowledge of the SME sector that it demonstrates and the understanding it reflects of the on-the-ground realities facing SMEs in particular regions will form part of the basis upon which the application is judged.

Selection of Business Associations to be Assisted:

The Applicant shall explain in its application the manner in which it intends to go about determining the number of eligible business associations in each of its selected regions, and assessing the strengths, weaknesses and overall viability of these associations. The Applicant will also explain how, in the event that such business associations prove to be numerous, it will choose the particular associations with which to work. If the Applicant believes it already has adequate knowledge of the number and nature of the associations in some or all of the locations in which it proposes to work and/or already knows the eligible regional business associations with which it wishes to work, the Applicant shall explain in its application the basis for its knowledge and the reasoning behind its conclusions.

Respective Roles and Responsibilities of U.S. and Russian partners:

The U.S. organization will be directly responsible, and accountable, for the success of the program and is expected to take the lead in designing and managing it and in providing financial oversight. However, it is a requirement of this RFA that the U.S. organization identify and work with a Russian partner organization in creating and implementing the program, and enter into a formal subagreement with the Russian partner organization, delineating roles and responsibilities.

USAID anticipates that the Russian partner will supply in-depth knowledge of the local environment, both as it relates to the problems of small and medium enterprises and as it relates to the challenges of operating an assistance program in the Russian regions. USAID also expects that the Russian partner will supply Russian language communication skills and Russian cultural awareness. It is anticipated that the U.S. organization will contribute an international perspective and a knowledge of how other countries have coped with some of the problems that Russian small and medium sized enterprises have faced, what solutions have been tried elsewhere, what has worked, what has failed and why. The U.S. applicant may also have special expertise in training or capacity building techniques of local partners. However, it is up to each applicant, in consultation with its Russian partner, to assess the skills, knowledge, and expertise each brings to the table and determine which roles will most advantageously be filled by the applicant directly and which can be most effectively filled by the partner.

As part of its application, the applicant shall identify its Russian partner, detail the qualifications and experience the Russian organization brings to the project and spell out clearly which roles and responsibilities will be retained by the applicant and which delegated to the Russian partner. The caliber of the proposed Russian partner will form part of the basis upon which the application is judged. Applications that reflect a true partnership between the U.S. organization and the Russian partner, in which each is actively engaged in programmatic substance, are preferred. The Applicant is strongly encouraged to develop the organizational capacity of the Russian partner. At the same time, consistent with the Mission's approach of emphasizing the use of local expertise, it is expected that the number of expatriates that the applicant and its partner propose to field as full-time staff, resident in Russia, will be minimized.

Program Components and Results to be Achieved:

In its application, the Applicant shall set forth the program and approach it wishes to pursue. Creative or innovative approaches are welcome, but focus must be on practicality and effectiveness. It is anticipated that the program shall have the following components.

Transfer of Policy Advocacy Skills: The Applicant should propose a combination of approaches and modalities that will have the result of enabling the beneficiary business associations to:

- Independently identify and articulate specific problems or concerns facing its members, or SMEs generally
- Independently develop ideas and proposals for resolving identified problems.

- Develop research and analysis skills needed to marshal evidence in support of arguments and proposed solutions or access and build relationships with others who already have these skills.
- Develop legislative and regulatory drafting skills or build relationships with those who already have such skills.
- Rally the support and direct participation of individual members.
- Network and share pertinent information and experience with other business associations in the region or around the country.
- Build consensus.
- Present arguments persuasively and effectively to Governmental decision makers at the local, regional and/or national level.
- Work with the media to call attention to the problems of SMEs and the possible solutions to these problems as well as to the contributions SMEs can make to civil society and the local economy.
- Communicate to the general public the benefits that a thriving SME sector can confer on the community, thereby improving the image and reputation of SMEs and increasing understanding of the sector and its needs.

The focus of the successful application should be on means of enabling regional business associations to find their own voices, to learn to speak effectively on their own behalf and to maximize the practical impact of their message. While it is anticipated that in the initial stages of the program, the Applicant may need to take considerable steps to assist the business association in formulating and communicating ideas, it is neither desired nor intended that the Applicant (or its Russian partner) should dictate agendas and policy goals to the beneficiaries nor that the Applicant (or its partner) should speak for the beneficiaries. In short, the focus should be on empowerment, rather than direction. This component will be deemed successful if, at the end of the program, the beneficiary business associations have the skills (such as public speaking, public relations, research and analysis, legislative drafting) and the knowledge (for example of available resources and other interested organizations) to become a dynamic part of civil society in their regions, advocating energetically and effectively for sensible policy change and an improved business environment for SMEs.

Information Clearinghouse: The Applicant should serve as a repository for information and materials relevant to SME issues. The application should include a proposed approach that will result in:

- Gathering information in a systematic way and storing it in a readily retrievable manner.
- Communicating to business associations and other potentially interested parties the nature of available information and how it can be accessed.
- Proactively disseminating information to persons or groups who could benefit from it.
- Ensuring that information is gathered from and disseminated to a broad range of interested persons and organizations.
- Institutionalizing the “Clearinghouse” such that the function continues after the Cooperative Agreement ends.

This component will be deemed to be successful if, at the end of the agreement, a structure is in place and working that will serve as a clearinghouse for information and ideas regarding small and medium enterprises, their problems and the associations that represent them, and this structure effectively facilitates information flow both to and from the clearinghouse.

Small Grants Program: The Application should include a proposed structure and vision for a small grants program to business associations. This component shall provide financing to business associations for small projects of their own devising that will either increase the business associations' own capacity with respect to advocacy or further the interests of the SME sector by taking practical steps to encourage administrative and regulatory reform and/or reduce corruption.

The precise administrative structure and criteria for making small grants will be finalized as part of the Grantee's implementation work during the first year. However, the application should reflect the Applicant's preliminary outline of how such a small grants program would work and what it would achieve. The Applicant should address such issues as: whether the grants program will be focused within the eight selected regions or opened to a wider possible array of applicants, the manner in which the availability of grants will be advertised to maximize competition, the proposed size range of grants, the composition of the selection panel (including steps taken to ensure diversity among recipients and avoid selection bias), the steps that will be taken to avoid conflicts of interest in the evaluation and award of grants and to ensure that grants are awarded objectively, illustrative criteria for selecting grant recipients, proposed areas of focus or concentration for the small grants program and how the proposed criteria and focus areas will maximize the likelihood of achieving tangible results.

The rationale underpinning each design choice must be clearly explained. The analytic soundness of the proposed approach and the degree of understanding displayed of the needs of the sector, the realities of the local environment and the practical challenges of setting up and successfully operating a grantmaking program will be evaluated in making USAID's award determination. It is anticipated that the amount allocated to the small grants component will be not more than one-third of total program cost. It is also expected that the grant selection panel would include participation by persons/organizations other than the successful awardee and its Russian partner.

The small grants components will be deemed successful if small grants are successfully awarded, following analytically and ethically sound procedures, and the grant recipients are able to make measurable improvements in either their own capacities or in addressing problems in the administrative and policy environment affecting small and medium sized enterprises.

All activities under this program must contribute to the achievement of USAID Strategic Objective 1.3, "Strengthened and Expanded Small and Medium Enterprises." (As a point of information: USAID's strategy is currently undergoing amendment. It is anticipated that the final strategy will reflect some revision in the language of existing strategic objectives and Intermediate Results. However, USAID does not envision any major shift in the substance of the goals with respect to the small and medium enterprise sector. The successful awardee will be notified of the finalized statement of the strategic objective and intermediate results and expected to work within them.) .

The application shall also explain how the activities will benefit both women and men entrepreneurs, taking into account the possibility that different approaches may be necessary to do so.

Coordination with Other Donor Supported Activities:

A number of other public and private donors are active in the small and medium enterprise sector in Russia. For example, the European Union (TACIS) supports the Small and Medium Enterprise Resource Center, attached to the Ministry of Anti-Monopoly Policy and Support of Entrepreneurship. This center functions as a policy unit within the Ministry's Department for State Support to Entrepreneurship. The Eurasia Foundation has worked in the identification of administrative barriers and has piloted activities in the St. Petersburg, Nizhny Novgorod, Novgorod and Tomsk areas. The World Bank is currently planning a three-year study of administrative barriers facing small and medium enterprises and is expected to conduct work in many of the same regions in which USAID's program will be operating. USAID intends that its program shall be complementary to but not duplicative of programs supported by other donors. During implementation, the successful awardee is expected to maintain constructive contact with grantees and contractors working in the sector under the auspices of other donors to exchange experience, best practices and lessons learned.

Synergies with Other USAID-supported activities:

The activities anticipated under this program hold the potential for mutually valuable synergies with other programs being financed by USAID/Russia. In particular, USAID/Russia's Office of Democratic Initiatives and Human Resources manages a number of programs in the area of rule of law and civil society development that may be relevant to the activities and goals of this program. For example, NGO Resource Centers are supported in many of the cities/regions in which this program will operate. USAID-funded implementers are also working closely with legal clinics and judges and with representatives of the independent media. The Local Governance program financed under USAID/Russia's Office of Social Sector Restructuring is working with local governments to create a better business environment. USAID/Russia's Office of Economic Policy Reform funds an active program of support to Russian think tanks. Some of the analytical work performed by the think tanks is pertinent to the small and medium enterprise sector and, to the extent practicable, the applicant will be expected to avail itself of these analyses and to disseminate this information to program beneficiaries and other interested persons. In addition, the successful applicant and beneficiaries under this business advocacy program are encouraged to generate applied research topics for the consideration of the USAID program managers of the think tanks program. Finally, many different components of the USAID portfolio are engaged in anti-corruption efforts, recognizing that corruption constitutes, among other things, a serious impediment to business development and trade.

The successful awardee will be expected to make all reasonable efforts to identify and use opportunities to work with other USAID implementers and beneficiaries. Ideas for maximizing impact by coordinating with and tapping into the resources of other USAID programs may be included in applications. To the extent such ideas are deemed by USAID to be practical and likely to yield positive results, they will be a positive factor in evaluating the application. USAID recognizes that, at this stage, applicants may have little knowledge

of USAID's other programs. Therefore, the presentation of ideas for collaboration or interaction with other programs is not required for the application. However, efforts to coordinate with and build mutually beneficial relations with other USAID implementers and beneficiaries will be expected from the successful awardee during implementation.

Implementation and Management Plan

This activity will be implemented by the successful awardee pursuant to the terms and conditions of a Cooperative Agreement, negotiated with the Agreement Officer. The successful awardee will be selected competitively on the basis of the applications received in response to this Request for Applications (RFA).

The resulting Cooperative Agreement will be viewed by USAID as a performance-based instrument. Success will be measured by the results that the awardee is able to achieve and funding for the full three-year period will be contingent upon USAID's approval of the awardee's Continuation Application which the awardee will submit at the conclusion of the first year of the Cooperative Agreement. The Continuation Application will be a noncompetitive application submitted by the Cooperative Agreement recipient only. The sole purpose of the Continuation Application is to determine whether performance and results are sufficiently positive as to justify funding the activity for the full three years. In the event that the Application is approved, USAID will fund the activity for the desired three-year duration of the program. In the event that USAID concludes that performance is inadequate and/or substantial results are unlikely to be achieved, the Continuation Application would not be approved and funding would not be available beyond 18 months.

Critical to the measurement of success and the equitable evaluation of the recipient's progress will be the establishment of benchmarks, whereby the adequacy of performance may be measured. As part of its application, the applicant shall propose a set of benchmarks and a performance-monitoring plan by which both the awardee and USAID will be able to evaluate the success of the awardee's efforts. The benchmarks and monitoring plan must include regular written programmatic progress reports (at a frequency to be suggested by the applicant, but not less than quarterly, with two of the four reports coming due in December and July) that describe significant events in implementation, successes, obstacles encountered, and remedies adopted. (These reports are separate from the quarterly financial reports required by the cooperative agreement standard provisions.) The benchmarks and monitoring plan must also include a date certain by which the small grants criteria would be finalized and the grantmaking structure in place and the date upon which the first small grants competition would be announced and the first grants awarded.

However, the benchmarks/monitoring plan should not be confined to the items just mentioned. The applicant must propose measures by which programmatic impacts (and not just programmatic events or outputs) can be evaluated. At a minimum, the benchmarks and performance monitoring plan must permit collection of data for accurate reporting against the USAID/Russia performance indicators: "Number of Business Association campaigns launched to affect public policy change" and "Number of positive results from advocacy efforts or campaigns which reduce administrative burden on entrepreneurs." The proposed benchmarks and plan should take into account the need to disaggregate data by gender and age cohort (i.e. persons aged 15-24, 25-29, and 30 plus). The quality of the proposed benchmarks and performance-monitoring plan will be a factor in evaluating the application.

The proposed benchmarks and performance monitoring plan will be evaluated on the basis of ambitiousness, practicality and realism, and the likelihood that the proposed measures will enable USAID, and others, to understand and accurately assess the impact of the program on the advocacy capabilities of regional business associations, their ability to participate effectively in public policymaking and their ability to stimulate reform of administrative and policy barriers to the establishment, continuation and competitiveness of small and medium enterprises.

The applicant should assume that USAID/Russia staff will make periodic site visits and will also meet from time to time with the successful awardee as well as with beneficiaries and with Government representatives who may have an interest in the small and medium enterprise sector. The applicant may propose ideas for the optimal frequency of such visits and meetings and approaches to maximizing their utility, it being understood that USAID always reserves the right to seek meetings or make visits as it deems necessary or appropriate.

The benchmarks and performance-monitoring plan are subject to final approval by USAID. Quality and consistency in data gathering and performance monitoring dictate a need for stability in benchmarks and performance monitoring approaches. However, in the event that strong evidence, or changing circumstances, demonstrates that the originally approved benchmarks are significantly flawed or, for reasons beyond the control of the awardee, unworkable, they may be modified by the mutual agreement of USAID and the awardee.

Substantial Involvement of USAID

A cooperative agreement is an assistance instrument that entails the substantial involvement of USAID in the program. Under the Cooperative Agreement to be awarded for this activity, USAID's substantial involvement will include:

- Approval of annual implementation/work plans
- Approval of final structure of grantmaking program
- Approval of key personnel of the awardee and its Russian partner
- Approval of any full-time expatriate positions, resident in Russia
- Approval of subagreements by the Agreement Officer
- Approval of the benchmarks and performance monitoring plan that are to be used to evaluate success

Level of Funding and Period of Performance:

Subject to the availability of funds and USAID's approval of the awardee's Continuation Application, USAID expects to provide approximately \$2.2 million for this activity over the course of three years. A description of the Continuation Application is found under the section entitled "Implementation and Management Plan" and the cover letter to this RFA. The Continuation Application will include a budget application to support the costs expected to be incurred during the second phase of the activity. Recipient cost sharing is required by this RFA.

SECTION B:

INSTRUCTIONS TO INTERESTED PARTIES IN PREPARING APPLICATIONS

This section sets forth the instructions to applicants. Applicants must prepare their applications with care and with scrupulous attention to the accuracy of all statements. Each applicant is responsible for ensuring that the information supplied and the assertions made in its application are complete and fully accurate. Applicants are cautioned that the deliberate submission of false statements in an application to the U.S. Government constitutes an illegal act and may result in criminal prosecution under 18 U.S.C. 1001.

Applicants are strongly encouraged to review this RFA in its entirety prior to drafting their applications.

I. PREPARATION OF APPLICATION – GENERAL INFORMATION

1. Applications shall be received at the place designated and by the date and time specified on the cover letter of this RFA. Applications received after that date or that are incomplete may be rejected. Acceptance and review of applications received after the closing date, but prior to award, is at the sole discretion of the Agreement Officer.

2. Applications shall be in English and shall be directly responsive to the terms, conditions, guidelines, and provisions of this RFA to be assured of consideration. If, in the opinion of USAID, the application does not conform to this RFA, the application may be categorized as not meeting the minimum program standards, thereby eliminating it from further consideration.

3. Late modifications of an otherwise successful application, which make its terms to the U.S. Government more favorable, may be accepted at any time at the sole discretion of the Agreement Officer. Applicants that submit late modifications shall explain in a cover letter in what manner or respect their modified application is more favorable to the U.S. Government.

4. Applications may be withdrawn at any time prior to award. To be effective, a notice of withdrawal must be in writing, must be signed by a duly authorized representative of the applicant, and must be physically received by the Agreement Officer prior to award. Oral withdrawals—whether delivered in person or by phone—are not acceptable. Nor can withdrawal of an application be effectuated by unsigned email.

5. The U.S. Government may: (a) reject any or all applications; (b) accept other than the lowest-priced application; or (b) waive informalities and minor irregularities in applications received.

6. The U.S. Government may award on the basis of the applications as received, without discussions of proposed services or budgets. Therefore, each application should contain the prospective recipient's best terms.

7. The Agreement Officer is the only individual who may legally commit the U.S. Government to the expenditure of public funds. No cost chargeable to the proposed

cooperative agreement may be incurred before receipt of either a fully executed cooperative agreement or a specific written authorization from the Agreement Officer.

8. Applicants shall study the selection/evaluation criteria outlined in Section C of the RFA and organize their applications accordingly.

9. **Applicants shall submit an original and five (5) hard copies of the Technical Application (Program Description) and an original and two (2) hard copies of the Financial Plan/Business Management Application.** In addition, applicants shall submit **one electronic copy of the Technical Application on diskette and one electronic copy of the Financial Plan/Business Application on a separate diskette.** The application shall be submitted in **MS Word 97**, or any later version of MS Word, and shall be formatted using **font Times New Roman 12**. Budget spreadsheets are to be submitted in **Excel 97**, or any later version of Excel.

10. All hard copies and electronic copies of the **application materials must be submitted in sealed envelopes. The envelopes must be clearly marked on the outside** with the following words: **“RFA Number 118-A-02-011 SME Policy Advocacy in Russia, USAID/Russia”** and the words “Technical Application” or “Financial Plan/Business Application” as appropriate to the contents. **The name and address of the Applicant shall also be on the outside of the envelope in which the application is submitted.** Two-sided photocopying is requested (but not required) for each hard copy of the application. The diskette containing the electronic copy of the Technical application shall be enclosed with the hard copies of the Technical Application. The diskette containing the electronic copy of the Financial Plan/Business Application shall be enclosed with the hard copies of the Financial Plan/Business Application.

11. The length of the Technical Application, excluding the benchmarks/performance monitoring plan and resumes of proposed personnel, **shall not exceed 50 pages (font - Times New Roman 12)**. Within this 50-page limit, discussion of the organization’s capacity and past performance shall not exceed 20 pages. There is no page limitation on the Financial Plan/Business Management Application.

12. Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as an indication of the prospective recipient's lack of cost consciousness. Elaborate artwork, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor desired.

13. Applicants shall retain a complete copy of their application for their own records and future reference. Submitted applications will not be returned to applicants.

14. Modifications to, or elaborations of, this RFA will be binding only if formally issued by the Agreement Officer in writing. Oral explanations or instructions given before award of a Cooperative Agreement are advisory only and are not binding upon the U.S. Government. Similarly, guidance, instructions or advice issued in writing by any person other than the Agreement Officer is not binding. Any information given to a prospective recipient concerning this RFA will be furnished promptly to all other prospective recipients as an amendment to this RFA, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective recipients.

A. TECHNICAL APPLICATION (PROGRAM DESCRIPTION) INFORMATION

The technical application shall NOT include any cost information.

The technical application is the most important element in determining the successful application and in issuing an award. The technical application must be specific, complete, and presented in a clear and coherent manner.

As stated elsewhere in this RFA, the technical application should be organized consistent with the evaluation criteria stated in Section C and should address the criteria in the order in which the criteria are laid out in Section C. This approach will facilitate the technical review of the application.

In the course of addressing the points crucial to the evaluation criteria, the applicant should bear the following considerations in mind:

1. The application must include a clear description of the conceptual approach and general strategy (i.e. methodology and techniques) proposed to implement the program.
2. The determination of successful performance will be based upon the achievement of the desired programmatic results on the ground and not merely the number of outputs or activities generated. In other words, USAID is less interested in the sheer number of, for example, trainings held or participants attending an event than in what beneficiaries actually learned and were able to do after participating in the event or receiving the training, the grant or other assistance.
3. To the extent that implementation experience indicates that the approach originally adopted is not working as expected, the awardee will be responsible for recognizing the problem, accurately communicating the difficulties being experienced to USAID, and taking steps to develop, propose and implement modifications to the original approach that will result in greater success.
4. In developing and presenting the proposed benchmarks and performance monitoring plan, the applicant shall strive to devise benchmarks that are objectively measurable and verifiable. Qualitative benchmarks are permissible. However, the approach should include at least some measures that are clearly quantifiable.
5. In developing the proposed benchmarks and performance monitoring plan, the applicant shall bear in mind that the benchmarks and ensuing monitoring and evaluation are not intended purely for the internal use of USAID. Rather, an important purpose of benchmarks and performance monitoring is to be able to explain the activity to other interested persons, including but not limited to Members of Congress, other U.S. Government officials and members of the general public, and to document what is being accomplished substantively by the activity. Ideally, the benchmarks and monitoring plan should permit USAID to assess and communicate persuasively to others precisely what benefits beneficiaries have obtained from the program and how those benefits link to the larger goals of improving the policy environment in Russia for SMEs and strengthening the SME sector.

6. The performance monitoring plan developed and presented by the applicant must include description of the applicant's plan for collecting and analyzing relevant data to measure progress toward the proposed benchmark
7. The applicant must include in its application a proposed annual work plan for the first year of the activity, assuming that the applicant is the successful awardee. The work plan shall be as concrete and specific as feasible. In the event that the applicant is awarded the Cooperative Agreement, the proposed annual work plan submitted with the work plan, as modified through pre-award discussions (if any) with the Agreement officer, shall become the operative work plan for the first year of the activity and will be deemed to be approved upon the signature of the Cooperative Agreement.
8. The application must provide evidence of the organization's technical resources, expertise and capabilities for managing and implementing this program. The information presented should clearly indicate pertinent work experience and representative accomplishments in developing and implementing programs, especially those most similar to this business advocacy program, as outlined in Section A of the RFA. The applicant should be sure to include:
 - (a) A brief description of the applicant's organizational history/expertise;
 - (b) A description of pertinent work experience and representative accomplishments in developing and implementing programs, especially those of a type similar to the activities to be implemented under this Cooperative Agreement;
 - (c) Evidence of previous successful work in implementing business development activities relevant to business development/advocacy and/or SME sector work in the Russian Federation;
 - (d) Detailed description of the credentials, skills, prior successful experience and accomplishments, and track record of integrity of proposed key personnel sufficient to demonstrate their ability to work effectively in the Russian regions and competently deliver a business advocacy program that will achieve tangible results. The application must also set forth an overall description of the personnel resources at the applicant's disposal sufficient to demonstrate that the applicant has the institutional capacity to handle competently and responsibly all aspects of the proposed Cooperate Agreement, both programmatic and administrative.
 - (e) Proposed field management structure and financial controls;
 - (f) Proposed approach to responsibly managing subagreements.
9. The Application must specify the composition and organizational structure of the proposed implementation team and describe each staff member's role, technical expertise and the estimated amount of time each member of the team will devote to the project. It must also indicate the names, language capability, position titles, and provide full resumes of all important managerial and technical personnel to be assigned to this program. **The proposed Chief of Party (COP) must sign a letter of commitment and this letter must be submitted with the Application. Failure without sound justification, to produce the Chief of Party and other key personnel in the winning application may in the sole discretion of the Agreement Officer be grounds for making an award to another**

applicant or cancelling an award that has been made. The COP must attend all post award conferences scheduled between USAID and the Applicant.

10. The application must explain the applicant's proposed approach to mobilization, including the amount of time the applicant expects to require to fully mobilize. Information provided must be sufficient for the technical review panel to assess how quickly full start-up will be undertaken.

11. The technical application shall state the level of cost sharing, if any, proposed by the applicant and the form which cost sharing shall take (for example: un-recovered indirect costs, personnel or home office backstopping not charged to the grant, use of equipment not purchased or leased with grant funds).

PLEASE NOTE:

Cost sharing must be explained and defined ONLY in percentage terms, not in dollar or ruble figures. Specific cost/budgetary information should not appear in the discussion of cost sharing, nor anywhere else in the Technical Application. Such cost/budgetary information shall be provided only in the financial plan/business management application (see below).

12. Past Performance References. Applicants shall provide a list of all U.S. Government and/or privately funded contracts, grants, cooperative agreements, etc, obtained/received by the Applicant in the last three fiscal years. Include the following for each award listed:

- (a) Name of awarding organization or agency
- (b) Address of awarding organization or agency
- (c) Place of performance of services or program
- (d) Award number
- (e) Amount of award
- (f) Term of award (begin and end dates of services/program)
- (g) Current telephone number, fax number and e-mail address of a responsible technical representative of that organization or agency
- (h) Brief description of the program
- (i) Administrative and financial successes/difficulties encountered in the implementation
- (j) Statement of whether the award was completed successfully and on time. If the award was not completed successfully and on time, the applicant should so state and explain why. If the award was terminated for cause or resulted in litigation, the applicant shall so state and explain the circumstances.

13. Sub-agreements. Applicants shall explain the extent that they intend to utilize sub-recipients and/or sub-contractors, the method they plan to use for identifying and selecting the sub-recipients and sub-contractors, and the tasks or functions that any such sub-recipients or subcontractors will be performing. Applicants shall state whether or not they have existing relationships with the proposed subcontractors or sub-recipients and the nature of the relationship. **Applicant shall also disclose all proposed related party agreements, explain the necessity for such transactions in terms of reaching programmatic results and detail the safeguards that are in place to ensure the objectivity and business reasonableness of**

any such transactions, and to avoid conflicts of interest. The applicant must specify the technical resources, capabilities, and expertise of proposed sub-contract/sub-recipient organizations. Technical plan information for proposed sub-recipients and/or sub-contractors shall follow the same format as that submitted by the applicant. This paragraph applies to the U.S. partner required under this RFA, as well as any other subcontractors or sub-recipients that the applicant may be contemplating.

B. FINANCIAL PLAN/BUSINESS MANAGEMENT APPLICATION

The financial plan/business management application must be in a separate package from the technical application. There is no page limitation on the Financial Plan/Business Management application. The financial plan/business management application shall contain all of the elements specified below and shall fully address each of these elements as it pertains to the proposed program.

1. Application Standard Forms

The applicant must complete and submit the following required forms, the instructions for which are included in Section E of the RFA (mark "n/a" for sections on the forms that are not applicable): SF 424, "Application for Federal Assistance," SF 424A, "Budget Information--Non-Construction Program, SF 424B, "Assurances--Non-Construction Programs. The forms may be downloaded from USAID's website:

http://www.usaid.gov/procurement_bus_opp/procurement/forms/SF-424

2. Financial Plan (Budget)

The financial plan shall be fully supported by cost data adequate to establish the reasonableness of proposed costs. At a minimum, the financial plan shall contain the following: a) a summary budget page, with total costs by each cost category, b) annual budgets defined by major program activities and c) detailed budget notes and supporting justification of all proposed budget line items. The total estimated amount for each major program activity must be supported by detailed cost line items, such as personnel salaries and wages, fringe benefits, consultants, allowances, travel and transportation, per diem, training, equipment, sub-contracts/sub-agreements (**any amounts over \$50,000 must be comprehensive with a detailed line item budget**), other direct costs and indirect costs.

In addition, the following points should be taken into consideration in developing and presenting the financial plan:

- (a) The financial plan materials should include the name, annual salary, fringe benefits and expected level of effort of each staff person which the applicant proposes to charge to the Cooperative Agreement, in the event it is the successful awardee. Resumes showing work experience for a period of at least three years shall be submitted for key personnel and for any other personnel who are expected to play a major role or to be paid substantial compensation.

- (b) If not included in the indirect cost rate agreement negotiated with the U.S. Government, the applicant must specify the applicable fringe benefit rates for each category of employees, and benefits included in the rate(s).
- (c) With respect to consultants that the applicant expects to employ, the applicant shall provide all the same information as is required to be provided with respect to regular personnel.
- (d) Any and all salaries, benefits and allowances proposed to be paid under this Cooperative Agreement must be in accordance with written organizational compensation policies of the employer and must be in accordance with across-the-board practices of the employer, not specific to this Cooperative Agreement. Allowances proposed to be paid must be identified both by the type(s) of allowance proposed to be paid and the specific individuals to which the allowance(s) will be paid.
- (e) Other direct costs such as visas, passports and other general costs shall be separate cost line items.
- (f) Travel, per diem and other transportation expenses shall be detailed in the financial plan, including the number of international trips, from where to where, number of days per diem and rates. Per diem and other travel allowances must be based on written travel policies of the employer organization that are applied across-the-board and are not specific to this Cooperative Agreement. Please note: It is understood that specific travel plans may not be certain at this stage. Thus, the travel proposed may be illustrative.
- (g) No fee or profit is awarded under assistance instruments. Therefore, no fee or profit shall be paid under this Cooperative Agreement.
- (h) The applicant shall detail home office support that is to be provided and any charges attributable thereto.
- (i) The applicant shall provide specific budget details and narrative information, in addition to the percentage and total dollar amount, for proposed cost sharing. Cost sharing, once accepted, becomes a condition of payment of the federal share.

3. Cost Sharing:

It is USAID policy to view the principle of cost sharing as an important element of the USAID-recipient relationship. Among other things, cost sharing enables USAID to mobilize additional resources for a program where USAID funding is limited. It also demonstrates the organization's commitment to the program. In order to enhance the success of this program, and to demonstrate commitment, the applicant, the Russian Partner, and the Business Associations are required to cost share. Applicants should take care to ensure any cost sharing they propose is realistic and feasible given their financial circumstances. Please refer to the newly issued standard provisions located in Section F of this RFA.

While the applicant's technical application shall only indicate the level of cost sharing (i.e., in terms of percentage), and type of cost sharing proposed (e.g., activities, personnel, backstopping, un-recovered indirect costs, etc.) The applicant's financial plan/business management application must include specific cost/budgetary information related to cost. Cost sharing includes contributions, both cash and in-kind, which are necessary and

reasonable to achieve program objectives and which are verifiable from the recipient's records. Cost sharing contributions may include volunteer services provided by professional and technical personnel.

4. Certificates, Assurances and Other Information

Section D of the RFA, which requests the following information and certifications, must be fully completed and signed by a duly authorized official of the applicant's organization:

- (a) Assurance of Compliance with Laws and Regulations Governing Nondiscrimination in Federally Assisted Programs;
- (b) Certificate Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions;
- (c) Certificate Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -Lower Tier Transactions;
- (d) Certification Regarding Drug-Free Workplace Requirements;
- (e) Restrictions on Lobbying;
- (f) Authorized Negotiators;
- (g) Taxpayer Identification Number;
- (h) Dun & Bradstreet Numbering System (DUNS No.) (if the applicant's organization already has a DUNS number);
- (i) Letter of Credit Number, if applicable;
- (j) Type of Organization; and
- (k) Agreement on Agreement Terms and Conditions.

5. Negotiated Indirect Cost Rate Agreement (NICRA)

If the applicant has a negotiated indirect cost rate agreement (NICRA) with a cognizant U.S. Government agency, a copy of the applicant's most recent NICRA must be supplied.

6. Certificate of Compliance

Submit a copy of the Certificate of Compliance (i.e., "self-certification") attesting that the organization's systems have been certified by the USAID/Washington's Office of Procurement. Applicants that do not currently have a Certificate of Compliance on file shall submit the following information: financial reports for the previous three-year period that have been audited by a certified public accountant or other auditor satisfactory to USAID; cash flow and organizational chart; and a copy of the organization's accounting manual, travel and procurement policies.

7. Organizational Capability, and Sub-agreements

The applicant must demonstrate it has the management, staff, and financing necessary to responsibly implement its application. This is particularly true given that partnership arrangements may entail more complicated financial management procedures. The applicant shall indicate the intended extent of sub-agreement utilization, the method of identifying and selecting subcontractors and sub-recipients, the extent to which competition will be utilized, and a complete cost breakdown for such sub-agreements. The applicant must state whether or not it has existing relationships with these other organizations and the nature of the relationship (e.g., subcontractor or sub-recipient, partnership etc). In addition, the applicant shall clearly state its plan for managing the sub-agreements, including: (a) conducting pre-award surveys; (b) monitoring advances to sub-recipients; (c) conducting financial reviews and verification of reimbursements; (d) administering sub-recipient audits; and (e) identifying the extent to which competition will be utilized. Major sub-recipients and/or subcontractors (i.e. organizations through which 25% or more of the dollar value of the award will be expended) must submit all the forms, certifications and general information (detailed in the paragraphs above) as required of the applicant.

8. Disclosure of Information

The applicant is advised that, pursuant to the Freedom of Information Act, the general public is entitled to request information from USAID files. As a general rule, information included in the successful application may be disclosed, except:

- (a) Information submitted in response to a solicitation prior to award of an agreement;
- (b) Information properly classified or administratively controlled by the U.S. Government; and/or
- (c) Information specifically exempted from disclosure under the Freedom of Information Act.

Upon issuance of the cooperative agreement resulting from this RFA, the Government may disclose, use, or duplicate any information submitted in response to the RFA to the extent provided in the cooperative agreement and as required by the Freedom of Information Act.

Applicants who include in their applications data that they do not want disclosed to the public for any purpose or used by the Government except for evaluation purposes, shall mark the title page with the following legend:

"This application includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If however, a Cooperative Agreement is awarded to this Applicant as a result of - or in connection with the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting Cooperative Agreement. This restriction does not limit the Government's right to use information contained in these data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]"; and

Applicants must also mark each sheet of data it wishes to restrict with the following legend: *"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."*

SECTION C:

APPLICATION REVIEW AND SELECTION CRITERIA

After the close of the application deadline, a technical review panel will be convened to review the applications received. USAID reserves the right to disqualify, without formal technical review of the contents, any application which is submitted late or which otherwise, in the opinion of USAID, fails to meet the submission requirements or the basic eligibility and programmatic criteria. Following the review of the applications, the technical panel will report its conclusions to the Agreement Officer. Applicants who, in the opinion of the Agreement Officer, have no realistic chance of winning the award will be notified by letter that their application has been unsuccessful. If deemed necessary or useful by USAID, USAID may enter into discussions with one or more of the remaining applicants. Discussions may relate to programmatic features, cost issues, or both. The entry into discussions is to be viewed as part of the evaluation process and shall not be deemed by USAID or the applicants as indicative of a decision or commitment upon the part of USAID to make an award to the applicant with whom discussions are being held.

The Agreement Officer will make the final determination regarding award of the agreement, and only the Agreement Officer has authority to award and sign a Cooperative Agreement. USAID reserves the right to determine the resulting level of funding for the agreement.

The technical review panel will use the criteria set forth below to evaluate the qualifications and applications presented by prospective recipients. It is essential that the application provide information and discussion sufficient to draw a reasoned conclusion about the strength of the application with respect to each criterion. Failure to do so will disadvantage the application and may result in the application being rejected. Points will be awarded using the following criteria according to the judgement of the technical review panel on the absolute and relative merits of each application:

EVALUATION CRITERIA

All applications which meet the eligibility and program requirements, and conform to the application preparation and submission requirements will be reviewed and scored by a USAID/Russia technical evaluation committee in conformity with the evaluation criteria set forth in this section. Evaluation criteria herein will serve to identify the significant areas that applicants should address in their applications, and set a standard against which all applications will be evaluated.

Evaluation criteria are presented below by category, so that applicants will know which areas require emphasis in the preparation of applications. The technical evaluation criteria are significantly more important than cost. However, the applicant's proposed cost share will be evaluated and rated, and, as stated below, cost effectiveness will be considered.

A. Technical Criteria

1. Proposed Approach (Maximum 55 points)

- Overall: Likelihood to result in measurable impact on skills, capacity of business associations to engage in effective policy advocacy (including

likelihood to meaningfully enhance ability of business associations to independently identify and articulate common interests of SMEs, independently develop practical proposals for administrative and policy change to further those interests, and persuasively communicate interest and proposals to decision makers, media, and the general public)

- Overall: Practicality and realism
- Overall: Degree of specific understanding reflected of Russian SME sector, Russian business associations, their policy environment and their problems
- Overall: Degree to which application is consistent with USAID/Russia's emphasis on the use and development of indigenous Russian expertise.
- Overall: Likelihood to reach and benefit a diverse group of beneficiaries, including both female and male entrepreneurs, and entrepreneurs from both minority and majority ethnic groups.
- Logic, and degree of understanding of on-the-ground realities in Russian regions, reflected in explanation of choice of regions in which to work and approach to choosing business associations with which to work.
- Analytic soundness of proposed approaches to (1) advocacy skills transfer, (2) clearinghouse creation and (3) small grants program (including degree of understanding displayed of needs of sector, realities of the local environment, and practical challenges of setting up and successfully operating programs in regions, feasibility of approaches and logic of linkages between proposed interventions and expected results).
- Quality and feasibility of ideas proposed for maximizing synergies with other USAID programs (if any such ideas proposed). (Note: proposal of such ideas is encouraged but not required by the RFA. Therefore, useful and practical ideas will be treated as an enhancement, but points will not be subtracted for ideas that are less successful.)
- Quality of benchmarks and performance monitoring plan proposed (including ambitiousness, practicality & realism, logic of relationship of proposed benchmarks, etc. to desired ultimate results, and likelihood that measures will enable USAID to understand and communicate to others program impact).

2. Organizational Capacity and Past Performance (Maximum 40 points)

- Quality of chief of party and other key personnel proposed by U.S. applicant (as judged by relevant credentials, successful experience, and track record of integrity).
- Depth and seriousness of U.S. applicant's knowledge and experience of Russian SME sector.
- Extent and quality of U.S. applicant's capacities and experience in program delivery and management, including financial controls and ability to monitor and manage subagreements.

- Quality of applicant’s past performance, as judged by results of previous contracts and grants, especially those most similar to the present program, and track record of integrity.
- Caliber of Russian partner organization (as judged by quality and relevance of the credentials and experience of proposed personnel, depth and quality of the organization’s relevant past experience in Russia and in the SME sector, track record of integrity and sound management, and past performance on previous contracts and grants, especially those most similar to the present activity).
- Clarity of proposed delineation of roles between applicant and proposed Russian partner; logic and feasibility of proposed roles.
- Degree to which true partnership is reflected.
- Capacity of applicant, together with its partner, for rapid start up.

B. Cost Effectiveness and Cost Realism of the Application Criteria (Maximum 5 points)

- Size of Cost Share (\$100,000 – \$150,000)
- Realism and feasibility of projected cost share, given applicant’s financial circumstances and other relevant considerations

The Agreement Officer will assess cost effectiveness and cost realism in making the final award. Cost effectiveness will be viewed as the value of the quantity and quality of the program to be delivered relative to the dollars proposed to be expended.

The Cooperative Agreement will be awarded to the applicant whose application, in the judgement of USAID, offers the best overall value for the dollar. USAID is significantly more concerned with high quality technical and management performance that will result in measurable programmatic impact than in making the lowest possible cost award. However, USAID will not make an award at a significantly higher overall cost in order to achieve only slightly superior technical or management features.

Consistent with U.S. laws and regulations, including Federal Acquisition Regulation (FAR) Part 19, USAID encourages the participation in this activity to the maximum extent possible of small business concerns, small disadvantaged business concerns, women-owned small business concerns, and other businesses deemed “Disadvantaged Enterprises”, either as the prime Recipient or as subcontractors or sub-recipients. In this respect, it is anticipated that every reasonable effort will be made to identify and make use of such concerns. All other selection criteria being found equal, the participation of such concerns may become a determining factor for selection. “Disadvantaged Enterprises” include socially or economically disadvantaged enterprises, Hispanic serving institutions, historically black colleges or universities, and private voluntary organizations controlled by economically disadvantaged persons.

SECTION D:

CERTIFICATIONS, ASSURANCES AND OTHER INFORMATION

1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

(a) (hereinafter called the "Applicant") hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any problem of activity receiving financial assistance from AID, and that with respect to the grant for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of 1964 (Pub. L.88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance,

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds,

(4) Title IX of the Education Amendments of 1972 (20 U.S.C.1681, et. seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) AID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the Applicant is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the Applicant establishes to the satisfaction of the AID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of or participants in such program.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Applicant by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Applicant recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the Applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the Applicant.

(Applicant)

BY (Signature) _____ TITLE _____

TYPED NAME _____ DATE _____

2.CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS PRIMARY COVERED TRANSACTIONS

(AID Regulation 8 - 22 CFR 208, Appendix A)

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to check the Non-procurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

(Applicant/Grantee Name)

(Date)

(Signature of Authorized Agent)

(Typed Name and Title)

FORMERLY APPENDIX 3C OF HANDBOOK 13

3. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

(AID Regulation 8 - 22 CFR 208, Appendix C)

Instructions for Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

2. The certification set out below is a material representation of fact upon which reliance was placed when the agency determined to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. For grantees other than individuals, Alternate I applies.

4. For grantees who are individuals, Alternate II applies.

4. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

Alternate I

1. The grantee certifies that it will provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition:

(b) Establishing a drug-free awareness program to inform employees about--

- (1) The dangers of drug abuse in the workplace;
- (2) The grantee's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will--

- (1) Abide by the terms of the statement; and
- (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

(e) Notifying the agency within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;

(f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted--

- (1) Taking appropriate personnel action against such an employee, up to and including termination; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

2. The grantee shall insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

4. CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

5. Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206)

USAID reserves the right to terminate this [Agreement/Contract], to demand a refund or take other appropriate measures if the [Grantee/ Contractor] is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned

shall review USAID ADS 206 to determine if any certification are required for Key Individuals or Covered Participants.

If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to, or take or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

6. CERTIFICATION OF RECIPIENT

The recipient certifies that it has reviewed and is familiar with the proposed grant format and the regulations applicable thereto, and that it agrees to comply with all such regulations, except as noted below (use a continuation page as necessary):

Solicitation No. _____

Application/Proposal No. _____

Date of Application/Proposal _____

Name of Recipient _____

Typed Name and Title _____

Signature _____ Date _____

7. AUTHORIZED INDIVIDUALS

The recipient represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the recipient in connection with this application or grant:

Name	Title	Telephone No.	Facsimile No.
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. TAXPAYER IDENTIFICATION NUMBER (TIN)

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the recipient's TIN:

TIN: _____

9. CONTRACTOR IDENTIFICATION NUMBER - DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) In the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the proposal.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1-800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

- (1) Recipient's name.
- (2) Recipient's address.
- (3) Recipient's telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the recipient.
- (8) Company affiliation.

(c) Recipients located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://www.dbisna.com/dbis/customer/custlist.htm>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@dbisma.com.

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: _____

10. LETTER OF CREDIT (LOC) NUMBER

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: _____

11. TYPE OF ORGANIZATION

The recipient, by checking the applicable box, represents that -

(a) If the recipient is a U.S. entity, it operates as a corporation incorporated under the laws of the State of, an individual, a partnership, a nongovernmental nonprofit organization, a state or local governmental organization, a private college or university, a public college or university, an international organization, or a joint venture; or

(b) If the recipient is a non-U.S. entity, it operates as a corporation organized under the laws of _____ (country), an individual, a partnership, a nongovernmental nonprofit organization, a nongovernmental educational institution, a governmental organization, an international organization, or a joint venture.

SECTION E:

STANDARD FORM 424, 424(A), 424(B) AND INSTRUCTIONS

For Standard Form 424, etc. refer to web site:

www.usaid.gov/procurement_bus_opp/procurement/forms/SF-424/sf424_complete.pdf

SECTION F:

For newly issued Standard Provisions for Cost Sharing in Grants and Cooperative Agreements to NGO's please refer to this site:

http://www.usaid.gov/procurement_bus_opp/procurement/cib/aapd02_10.pdf